



WISCONSIN

**DEPARTMENT OF WORKFORCE DEVELOPMENT**

Division of Economic Support  
Bureau of Work Support Programs

**TO: Economic Support Supervisors  
Economic Support Lead Workers  
Training Staff  
Child Care Coordinators  
W-2 Agencies**

**FROM:** Stephen M. Dow  
Policy Analysis & Program Implementation Unit  
Work Programs Section

**BWSP OPERATIONS MEMO**

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**Non W-2** ☐ **W-2** ☒ **CC** ☐

**PRIORITY:** Medium

**SUBJECT: W-2 PERFORMANCE STANDARDS**

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***BACKGROUND***

The W-2 Contract & Implementation Committee (C&I) has spent much time in the last few months reviewing the performance standards and their measurements. Members formed a workgroup to deal with several important issues in this regard; C&I members then participated in a review of the workgroup's findings and the Division's responses.

This memo provides some of the results of the C&I Committee's input in the form of a memo from Division Administrator Noyes to the Committee. These materials were shared with the Committee at its September meeting.

The Division very much appreciates the efforts of the C&I Committee's members in working with its staff; these joint efforts better recognize our common needs and motives in making Wisconsin Works a success.

In Attachment 3, under "Underlying issues that can be addressed without changing contract provisions for the performance standards", items #1 and #2 have been implemented. With that implementation, you may find that your Entered Employment (EE) rates reported in September have improved.

***MIGRANT/SEASONAL FARM WORKERS***

Agencies may wish to review the adjustment process with regard to Migrant/Seasonal Farm workers. If used and approved, the EE placement, Wage, Retention and Health Insurance data would be removed for those cases submitted for the adjustment.

***CONTACTS***

If you wish to share comments or concerns about these materials, please contact your regional Area Administrator or a member of the Contract & Implementation Committee.

C&I members, meeting schedule, minutes and related documents may be found at:  
<http://www.dwd.state.wi.us/desw2/w2partnr.htm>.

# InterOffice Memo

Department of Workforce Development

*Date:* September 18, 2000

*File Ref:* cic performance standards.doc

*To:* W-2 Contract and Implementation Committee Members

*From:* Jennifer L. Noyes, Administrator  
Division of Economic Support

*Subject:* **W-2 and FSET Performance Standards**

This memorandum addresses a variety of performance standard issues that have been discussed by the Contract and Implementation Committee over the past several months. Decisions regarding how to address the concerns, which are detailed in the attachments, were made based on your input as well as staff analyses.

First, the W-2 RFP includes a section titled "One Case Credit for the W-2 Performance Standards." The Division has received questions about how and when the credit will be applied. Attachment 1 addresses these questions.

Second, agencies have brought to our attention the fact that unusual or nonrecurring events such as technical or processing errors can sometimes adversely affect measurements of agency performance. Attachment 2 describes a new process through which agencies can raise specific situations for our review. I believe that the proposed process maintains the integrity of the contract and the performance standards while allowing for appropriate adjustments to be made to an agency's performance data.

Third, the Performance Standard Workgroup has made several recommendations regarding modifications to the performance standards. Attachment 3 presents our analysis and related decisions regarding the recommendations that have been made, as well as other issues that have arisen as a result of our discussions regarding the performance standards.

I am forwarding you this information in advance of the next committee meeting in order to allow adequate time for its review. These items will be included on the agenda in order for us to answer any questions you may have about them.

However, I would like to emphasize that, with these final clarifications and decisions, it is now time to turn our full attention to best practices and techniques for meeting and exceeding the performance standards. I look forward to your continuing commitment to meeting the current standards. I also look forward to working with you to help us define the standards for the next contract and to help Wisconsin to exceed national TANF performance standards.

Attachments

**ATTACHMENT 1**

**W-2 PERFORMANCE STANDARDS**  
**ONE CASE CREDIT**  
September 18, 2000

**BACKGROUND**

- The W-2 RFP (incorporated by reference into the 2000-2001 W-2 Contracts) includes a section titled “One Case Credit for the W-2 Performance Standards.”
- The W-2 RFP states the following for the One Case Credit:
  - “In order to recognize that in agencies with small caseloads, one case can make a significant difference in the calculation of percentages for the Performance Standards benchmarks, a one case credit was established.”
  - “A one case credit will apply when:
    - a) The Department makes the final determination after contract close-out of whether a W-2 agency meets the benchmark levels for Performance Standard criteria;
    - b) The W-2 agency does not meet a benchmark for one or more of the following criteria: Entered Employment Placement Rate; Job Retention Rate; Full and Appropriate Engagement; and/or Basic Education Activities;
    - c) At least one of the W-2 agency’s cases does not meet one or more of the benchmarks for the criteria in b) above; and
    - d) The W-2 agency would meet a benchmark for the criteria listed in b) above if one case that did not meet the criteria was instead considered by the Department to meet the criteria.”
  - “The application of the one case credit will result in the W-2 agency meeting the Base Contract Benchmark level or” [if the W-2 agency already meets the Base Contract Benchmark level, then the application of the one case credit will result in the W-2 agency meeting] “the next benchmark level”.
  - “Example: A W-2 agency meets the Base Contract Benchmark Level of Entered Employment Placement Rate but does not meet the First 2% Performance Bonus Benchmark Level or the Second 2% Performance Bonus Benchmark Level. Application of the one case credit would allow the agency to meet the First 2% Bonus Benchmark Level but not the Second 2% Performance Bonus Benchmark Level.”
  - [The one case credit applies to the following Performance Standards]: “Entered Employment Placement Rate; Job Retention Rate; Full and Appropriate Engagement; and/or Basic Educational Activities.” Therefore note that the one case credit does not apply to the Wage Rate standard, Available Employer Health Insurance Benefits standard, or the optional criteria (Faith-Based Contracts or Basic Skills/Job Skills Attainment).

**QUESTIONS AND ANSWERS****1. Does the one case credit apply to Right of First Selection?**

- The one case credit will apply to Right of First Selection.
- The W-2 RFP states that “the Department makes the determination after contract close-out” and the W-2 RFP is silent about the definition of contract close-out. The definition of contract close-out for purposes of calculating the one case credit for Performance Standards will include determination of Right of First Selection
- The following Performance Standards determinations after the end of the 2000-2001 W-2 Contract period are included in “after contract close-out” for the one case credit:
  - Base Contract and Community Reinvestment Benchmark Level;
  - First 2% (Unrestricted-Use) Performance Bonus; and
  - Second 2% (Unrestricted-Use) Performance Bonus.

The application of the one case credit to Right of First Selection is a separate calculation from the application of the one case credit after contract close-out for the items listed above.

**2. Does the one case credit apply to w-2 agencies with small and larger than small caseloads?**

The one case credit applies to all W-2 agencies.

The W-2 RFP states that the one case credit was established in recognition of W-2 agencies with small caseloads. The W-2 RFP is silent about if the one case credit may apply to W-2 agencies with larger than small caseloads.

**3. Does the one case credit apply to W-2 agencies with no cases?**

- The one case credit does not apply to W-2 agencies with no cases.
- The Department will apply a special zero case credit. The zero case credit will apply to any W-2 agency with no cases for the Performance Standards (if there are any W-2 agencies with zero cases at the time of the Department’s Performance Standards calculations). The zero case credit will result in any W-2 agency with no cases meeting the Base Contract and Community Reinvestment Benchmark Levels, but not meeting the First or Second 2% Performance Bonus Levels. In order to be eligible for a Performance Bonus Level, the W-2 agency must have at least one case for the Performance Standard.
- The W-2 RFP states that the one case credit applies when at least one of the W-2 agency’s cases did not meet the Benchmark Level, which means the W-2 agency must have at least one case for the one case credit to apply. The W-2 RFP is silent about W-2 agencies with no cases.

**4. How is the one case credit applied in the Performance Standards calculations?**

The calculations for the one case credit will occur as follows (when applicable based on the other requirements already defined in the W-2 RFP [see Background above]):

- The one case credit will be applied only in instances where there is at least one participant in the denominator who has not met the standard and thus does not have credit in the numerator. For example, for the Entered Employment Placement Rate standard, a W-2 agency might have ten participants in the denominator and three entered employments in the numerator for a computed rate of thirty percent (30%).  $3/10 = 30\%$ .
- If the condition described above exists, then the Department will apply the one case credit by adding one to the numerator. For the example above, this would result in a new computed rate of forty percent (40%).  $4/10 = 40\%$ .
- The one case credit will apply as follows for the two point in time standards (Full and Appropriate Engagement and Basic Education). For Right of First Selection, the Department will add together the numerator and denominator for the four quarters.  $2/4 + 3/3 + 3/4 + 1/2 = 9/13 = 69\%$ . If the numerator is less than the denominator, the Department will add one to the numerator. For this example, this would result in a new computed rate of seventy-seven percent (77%).  $10/13 = 77\%$ .

The W-2 RFP is silent about how the one case credit is applied (whether the one case credit is applied to the numerator, the denominator, etc.)

#### **5. Will the one case credit appear in the monthly EOS and Data Warehouse reports?**

The one case credit will be a separate calculation outside of the monthly EOS and Data Warehouse reports. A separate calculation will occur for Right of First Selection and a separate calculation will occur after contract close-out (for a maximum total of one case credit, not one case plus one case).

**ATTACHMENT 2****PERFORMANCE STANDARDS ADJUSTMENT PROCESS**

September 18, 2000

**GOALS OF AN ADJUSTMENT PROCESS**

- The process will be simple to administer and understandable to all;
- The process will maintain the integrity of the contract, services provided and data;
- The process will have defined limits as to what will be considered, while also being reasonable and uniform in applicability statewide;
- The process will ensure that agencies are held accountable for their decisions; and
- The process will ensure we are assisting agencies (within the parameters of the contract).

**PHILOSOPHY**

- Adjustment request issues should be concerned only with unusual or non-recurring events as determined by the Division of Economic Support. There must be evidence of correction of the problem or procedure that led to the issue. For example, a worker's failure to print an Employability Plan is not an issue for adjustment consideration unless there is an unusual circumstance that prevented the worker from printing the EP. The Division reserves the right to rescind a granted adjustment if the request issue is found to be a recurring event.
- Adjustments to Performance Standards outcomes will be considered on a contract agency basis, only at the request of the contract agency. Adjustments will not be made on a statewide basis as a result of a contract agency request.
- Adjustments will not be reflected in the standardized reports (EOS or Data Warehouse), but will be included in the final report for Right of First Selection and at contract closeout.
- Requests must be case-specific and cannot undermine the integrity of the Performance Standard for which the adjustment is being requested.
- Adjustments will only be considered if they make a difference in the outcome of the agency's performance evaluation, i.e. impacts the base or bonus benchmarks so that the agency now meets the expected level.

**ADJUSTMENT REQUEST PROCESS**

1. Upon release of the performance standards report, an agency may find situations for adjustment consideration because of a technical or processing error. A technical error would be one in which an incorrect CARES data entry occurred, causing the agency to not meet a particular standard.
2. A contract agency may submit a formal request to adjust a performance standards report to the Regional Office Contract Manager. The request must be submitted prior to the end of the month in which the data is received. Note: DES may consider requests back to

01/01/2000 for months prior to the implementation of this procedure, but only for one calendar month after the issuance of the procedure.

3. The request must include a detailed explanation of the issue that prevented them from meeting a particular standard and the action the agency has taken to prevent re-occurrences of the error (see attached suggested format). Include the following:
  - Identify the standard for which they are requesting an adjustment be made. (Entered Employment, Full & Appropriate Engagement, etc.)
  - Specify the case number(s) and PINs which adversely affected the performance standard
  - Provide detailed documentation to establish that the standard was not met due to a technical or processing error (this could include CARES documentation, EOS reports, etc.)
  - Provide documentation (CARES or paper file) that the agency has provided appropriate case management services.
4. The Regional Office will acknowledge receipt of the adjustment request and forward a copy DES/Bureau of Work Support Programs, Program Monitoring and Compliance Unit in Madison.
5. Within 10 business days, the DES staff (regional and central) will initiate a review of the case to determine if the request is appropriate for the adjustment process and if appropriate case management services have been provided. The review may include:
  - Analysis of the type of error made (unusual or non-recurring event that resulted in the case not meeting the standard)
  - Case/PIN comments and other documentation that the problem has been identified and corrective action taken on the case to prevent the error from recurring
  - Appropriate activity has been assigned to the participant (before/after the error occurred)
  - Review of CARES to determine if the participant was actively engaged in activities that help achieve the goals set forth in the employability plan
  - The employability plan accurately reflects the activity assigned
  - Appropriate education activities are assigned if required
  - Entered Employment data in CARES
6. After consultation between Regional Office and Central Office staff, the results of the review will be summarized, including a recommendation to either adjust/not adjust the performance standard based on the request of the agency.
7. The Regional Office will provide written notification to the agency regarding the outcome of its request to adjust the performance standards. A copy of the written notification must be sent by the regional office to BWSP/Program Compliance and Evaluation Unit (Lynn Schmitt) and BDS-W-2 Contract Coordinator (Mary Tremain) for central office files.
8. Central Office staff will make the necessary adjustment to the performance standards if the request is approved.

Note: The standard report on EOS or in the Data Warehouse will not be changed.

If an Adjustment to Performance Standards Request is denied, the agency may appeal through the W-2 contract dispute process as set forth in the RFP/contract.



## Performance Standards Adjustment Request

Submittal Date: \_\_\_\_\_

Agency Name: \_\_\_\_\_

Agency Contact: \_\_\_\_\_ Telephone Number: \_\_\_\_\_

Performance Standard for which adjustment is requested:

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Specific Case Number(s) and PIN(s) Affected (attach additional sheet if necessary)

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_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Explanation of Technical or Processing Error that occurred:

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Justification for Adjustment (Must include information regarding the action the agency has taken to prevent reoccurrence). Attach documentation as needed.

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## ATTACHMENT 3

**DIVISION OF ECONOMIC SUPPORT  
RESPONSE TO PERFORMANCE STANDARDS WORKGROUP REPORT  
W-2 CONTRACT & IMPLEMENTATION COMMITTEE**

September 18, 2000

**Background:** Over the last month, the Division of Economic Support has reviewed the recommendations made by the Performance Standards Workgroup of the W-2 Contract and Implementation Committee. The Division appreciates the W-2 agency concerns, suggestions and resulting dialog. This dialog will improve and strengthen the standards.

**Analysis:** Out of its analysis, the Division has identified three groupings of issues:

- Recommendations to modify the contract provisions for the performance standards and their benchmarks;
- Underlying issues that can be addressed without changing the contract provisions for the performance standards; and
- Issues which can be addressed through technical assistance.

**Recommendations to modify individual contract provisions for performance standards and their benchmarks:**

The following issues meet this criterion:

- Entered Employment (EE) Rate and Right of First Selection;
- FSET versus W-2;
- Entered Employment Rate Denominator; and
- The Basic Educational Activities Performance Standard benchmark.

Performance standards and their benchmarks will not be modified at this time. These are basic contract provisions agreed to by the W-2 Agencies and the Department upon signing the W-2 contracts. The funding level of the contract is for the standards and benchmarks set in the contract.

**Underlying issues that can be addressed without changing contract provisions for the performance standards:**

Over the last year, the Division has responded to underlying issues that do not change the contract provisions for performance standards, but do affect them. A good example is the decision to count referred/scheduled participants as engaged during the month of referral.

As a result of the review of the recommendations submitted by the Performance Standards Workgroup of the W-2 Contract and Implementation Committee, the Division found several underlying issues that are addressed. These affect Milwaukee and the Balance of State agencies. By addressing these issues, the contract provisions for the performance standards and benchmarks will not be modified. However, these steps will have a positive impact on agency ability to meet the performance standard benchmarks.

- 1) The agency transfer process within Milwaukee County is resulting in some unintentional transfers into and out of a Milwaukee agency. Currently these are counted in the Entered Employment (EE) Rate denominator for each Milwaukee agency. The Division recognizes that these unintentional transfers should not be counted.

The Division agrees to remove those individuals from the count of Total Participants Served who were transferred into a contract agency and subsequently transferred out of the agency with no intervening services (no activity/components) or entered employment reported. Eliminating these individuals from the denominator should affect the EE rate favorably for all agencies in Milwaukee.

- 2) The referral process used throughout the state sometimes results in individuals who are referred and immediately disenrolled. Currently these are counted in the Entered Employment Rate denominator. The Division recognizes that these unintentional referrals should not be counted.

The Division agrees to remove those individuals from the count of Total Participants Served who were referred into a contract agency and subsequently disenrolled out of the agency with no intervening services (no activity/components) or entered employment reported. Eliminating these individuals from the denominator should impact the EE rate favorably for all agencies in the state.

- 3) All agencies invest time and effort with participants who eventually receive federal approval for SSI or SSDI benefits. Often much agency time and effort is spent with these participants. Currently these are counted in the Entered Employment Rate denominator.

In recognition of the time and effort that agencies must spend, the Division agrees with the local agency recommendation that participants who do not have an Entered Employment reported and who leave W-2 because of SSI/SSDI approval will be removed from the universe of Participants Served.

The Division has started computer-programming changes for the Entered Employment Rate denominator. When this work is complete, the individuals described above will be removed from the affected EOS and data warehouse reports.

For all three of these issues, the Division is confident that agencies will continue to have these individuals participate in activities, since other performance standards, such as Full and Appropriate Engagement, will still count these individuals until they have been transferred or disenrolled. In addition, federal and state policies included in the contract provisions require agencies to serve participants.

**Issues which can be addressed through technical assistance:**

- 1) EBT Conversion

The Division has not been advised by any local agency that the conversion to EBT was a major interruption of normal business practices. Additionally, the change to the Performance Standard logic for transfer in/transfer out with no services should reduce any negative impact in Milwaukee.

- 2) Cases opened for W-2 Supportive Services Only

Cases receiving supportive services only, such as Job Access Loans (JAL), are not required to be referred to the Work Program. Determining eligibility for W-2 and placing the person briefly in a Case Management for Unsubsidized Employment (CMU) placement does not necessitate referral. If the person is not referred, they are not counted in the denominator.

Note: The computer programming change described above will remove JAL and CMU individuals from the count of Total Participants Served who were referred into a contract agency and subsequently disenrolled with no intervening services (no activity/components) or entered employment reported.

3) Cases referred to Work Programs and never opened for W-2.

Referral to the Work Program of individuals whose W-2 eligibility is pending should not be placed in assigned activities until eligibility is confirmed. Cases that are found ineligible for W-2 after referral to the Work Program should be disenrolled from the WP immediately.

Note: After the computer programming change described above is completed, they will not be counted in the denominator if the only recorded transactions are referral (or W-2 begins) and disenrollment.

4) Inability to enter Entered Employments after disenrollment.

CARES supports the federal requirements for Entered Employments that preclude reporting of EEs after the person has disenrolled from the program. Good case management practices include establishing a positive working relationship with the participant and on-going contact to ensure that the participant is provided the necessary supportive services to assist in retaining the newly started job. Loss of contact with the participant is not a justification for allowing an agency to receive credit for an EE when the hire is discovered after disenrollment.

Note: Agencies have the option of keeping the Work Programs (WP) case open until the employment can be verified. If the worker believes the participant may have found employment and that is the reason for loss of contact, the worker can keep the WP record open until the participant is contacted.

5) Inability to correct errors in CARES.

CARES programming allows agencies to delete employment records that were not reported as an EE and to re-enter them as an EE if the job meets the definition. This may occur anytime up until disenrollment from the work program.

6) Participants in scheduled status do not meet the standard for Basic Educational Activities, and the agency does not have control over this because of client non-participation.

Participants who are in referred or scheduled status are removed from the BEA denominator for the month in which they are referred. In reality, this gives an agency a minimum of a month to get a participant in for enrollment and into assigned activities. (Even if referred the last day of a month, the agency has until the last working day of the next month to get the person involved with no adverse impact on this Performance Standard.) Failing to engage a participant within 30 days (or request sanction for non-participation) is a policy requirement as well as a contract requirement. The Performance Standard conforms to policy.

- 7) Participants who enter fulltime employment cannot be required to participate in basic education activities.

Once a participant has become employed fulltime, the person should be exempted from FSET and disenrolled. The Performance Standard is set at 80% to accommodate those cases that may be in transition.